## REMARKS

In the Office Action dated December 17, 2007, claims 14 and 20-22 were rejected under 35 U.S.C. § 102 as being anticipated by U.S. Publication No. 2002/0052792 (Johnson); and claims 1, 2, 4, 6, 7, 9-13, 17-19, and 23-25 were rejected under § 103 over Johnson in view of "Examiner's Official Notice."

In the rejection of the claims as being obvious, the Office Action basically took the position that various claim elements not disclosed by Johnson were "notoriously old and well known," and thus took official notice of such claim elements. The taking of official notice in the manner performed by the Office Action is clearly improper.

As stated by the M.P.E.P., "notice of facts beyond the record which may be taken by the examiner must be 'capable of such instant and unquestionable demonstration as to defy dispute'." M.P.E.P. § 2144.03 (8th ed., Rev. 6), at 2100-145. In fact, "[i]t is never appropriate to rely solely on common knowledge in the art without evidentiary support in the record as the principal evidence upon which a rejection was based." *Id.*, at 2100-147.

Here, the claim elements conceded by the Office Action to be missing from Johnson are not so notoriously old and well known such that the taking of official notice would be proper without documentary support. In fact, in the previous Office Action, the Examiner had relied upon a secondary reference, Wiles, as disclosing subject matter conceded by the Examiner to be missing from Johnson. The fact that the present Office Action cannot rely upon Wiles anymore is evidence in and of itself that various elements of the claims that are not disclosed by Johnson are **not of such instant and unquestionable demonstration as to defy dispute.**

Claim 1 recites a first server associated with a merchant, and a service provider computer system associated with a service provider to which the merchant is subscribed, where the service provider computer system comprises a second server, communications infrastructure, third server, and fourth server. Claim 1 thus clearly delineates a server associated with a merchant from servers associated with the service provider computer system, where the servers of the service provider computer system provide the various tasks recited in claim 1. The benefit of using a service provider computer system that is separate from the server of the merchant, in accordance with some embodiments, is that the merchant (or subscriber) can outsource the burden of tax calculation and remittance to a service provider. *See* Specification, p. 42, lines 3-9.

The provision of a server associated with a merchant and a separate service provider computer system associated with a service provider to which the merchant is subscribed, where the service provider computer system has the servers of claim 1, is clearly not taught or hinted at by Johnson. In fact, Johnson teaches subject matter that is both **different and inconsistent** with the claimed features.

Fig. 12 of Johnson depicts a web merchant 104 that is able to access a system administrator 108 for the purpose of obtaining taxability and tax rate information for items that are selected by a consumer making a purchase with the merchant. *See* Johnson, ¶ [0105]. The system administrator 108 of Johnson administers a master database that stores tax assessment information, including whether an item is taxable, non-taxable or tax-exempt, and if taxable, the appropriate tax rate. Johnson, ¶ [0062]. However, as specifically taught by Johnson, the transfer of accumulated tax to a state escrow account for making tax payments to a taxing jurisdiction is performed by the merchant, *not* by the system administrator. *See* Johnson, Fig. 12 (104, 122, 128), ¶ [0107]. In fact, Johnson explicitly states that the retailer "**must** first set up a separate ACH debit/credit account with its financial institution for the purpose of capturing tax." Johnson, ¶ [0103] (emphasis added). Rather than providing a service provider computer system (to which the merchant is subscribed) to perform the tasks of computing taxes due on a corresponding transaction ***and*** transmitting a file to a selected financial institution for remission of funds to a government authority, Johnson specifically teaches that the merchant (or retailer in the context of Johnson) **must** itself perform the task of transferring accumulated tax to the taxing jurisdiction.

Such teaching of Johnson is directly **at odds** with the claimed subject matter. For at least this reason, the Office Action has failed to establish a *prima facie* case of obviousness. Rather than hint at the claimed invention, the only reference (Johnson) relied upon by the Office Action **leads away** from the claimed invention, thereby establishing that claim 1 is clearly non-obvious over Johnson.

With respect to the rejection of claim 14, the Office Action had taken the position that the service provider computer system is construed by the Examiner to include not only the system administrator's on-line system but also the consumer's lending institution's on-line computer system. 9/17/2007 Office Action at 2. However, claim 1 recites that the service provider computer system is associated with "a" service provider to which the merchant is subscribed.

The system administrator and consumer's lending institution constitutes two different providers. Therefore, this feature of claim 1 cannot be satisfied by Johnson. The *prima facie* case of obviousness is defective for at least this reason.

The Office Action further conceded that Johnson fails to disclose receiving XML-based data and converting a database file from an XML-based format to a TXP-based format for receipt by an automated clearinghouse network. 12/17/2007 Office Action at 5. Instead, the Office Action relied upon the taking of official notice of these features. *Id.* Specifically, the Office Action conceded that Johnson fails to disclose XML-based data, XML-based format, and TXP-based format. However, the Office Action took official notice that "XML is a broadly used language for Web developers . . . ," that "it is notoriously old and well known in the financial clearinghouse industry to use TXP-based format." *Id.*

Previously, the Office Action had relied upon Wiles as disclosing XML data. However, in response to arguments made by Applicant in the prior Reply to Office Action regarding the deficiencies of Wiles, the present Office Action removed Wiles as a reference that was relied upon in making the rejections. It is apparent that the present Office Action was unable to identify any other reference that provided the requisite teaching of subject matter missing from Johnson, in this case, a fourth server to convert the second selected first database file from an XML-based format to a TXP-based format for receipt by an automated clearinghouse network. The feature of converting XML to TXP is clearly **not** of **such instant and unquestionable demonstration as to defy dispute**; therefore, taking of official notice of this element is clearly improper. In fact, Applicant previously pointed out that Wiles, the secondary reference previously relied upon by the Examiner, failed to provide any teaching of the subject matter conceded to be missing from Johnson. No other reference was cited in the present Office Action to support the Office Action's allegation that the claim features missing from Johnson would be so well known that a person of ordinary skill in the art would have been prompted to incorporate such element into Johnson. It is therefore respectfully submitted that the *prima facie* case of obviousness is further defective for this further reason.

It is therefore respectfully submitted that claim 1 is non-obvious over the cited evidence. Moreover, Applicant has traversed the taking of official notice with respect to elements of claim 1—if a reference actually exists that teaches the claim elements missing from Johnson **and** that provides a reason that would have prompted a person of ordinary skill in the art to modify

Johnson to incorporate such claim elements, then production of such reference is respectfully requested. Otherwise, withdrawal of the obviousness rejection is respectfully requested.

Independent claims 2 and 4 are similarly allowable over the asserted combination of Johnson and "Examiner's Official Notice."

Independent claim 6 is also allowable over the asserted combination of Johnson and "Examiner's Official Notice," for similar reasons as stated above for claim 1. Moreover, claim 6 further recites that the fourth server has an infrastructure service module having a series of discrete modular functions including a security module for insuring system security over the interactive communications network, a system backup and recovery module, a real-time and continuous accessibility module, a system monitoring module and a system load balancing and scalability module. The Office Action took official notice that such features are "notoriously old and well known . . . ." *Id.* at 6. Note that the previous Office Action had also relied upon another reference, Propel, as disclosing features of claim 6. However, presently, the current Office Action removed Propel as a reference, and rather relied upon taking of official notice. It is apparent that objective evidence of record does **not** establish that features of claim 6 were notoriously old and well known—therefore, the taking of official notice of the additional features of claim 6 is also improper.

Therefore, the Office Action has failed to establish a *prima facie* case of obviousness with respect to claim 6.

Independent claims 7, 9 are allowable for similar reasons as claim 6.

Independent claim 10 recites a service provider computer system associated with a service provider and that has a web server to receive XML-based transactional data from servers associated with corresponding merchants that are subscribers of the service provider. Moreover, the service provider computer system further has a third device having a modular tax computation programming for computing any taxes due on the corresponding transactions, and a fourth device having modular tax remittance programming for converting the second selected file from an XML-based format to a TXP-based format for use in an automated clearinghouse institution for remission of funds to the governmental authority. For reasons similar to those given for claim 1, the cited references do not provide any teaching or hint of the above features, and the taking of official notice with respect to the claim elements conceded to be missing from Johnson is improper since no evidence exists that teaches such claim elements and that a person

of ordinary skill in the art would have been prompted to incorporate such claim elements into Johnson.

Independent claims 11-13 are allowable for similar reasons as claim 10.

Independent claim 14 was rejected as being anticipated by Johnson. A critical error made in the rejection is the following assertion in the Office Action: "service provider computer system is construed by the Examiner to include not only the system administrator's on-line system but also the consumer's lending institution's on-line computer system." This assertion is inconsistent with the claim language, which specifies "a" service provider, that the subscriber system is associated with a merchant that is a subscriber of "the" service provider, and that the service provider computer system is associated with "the" service provider. The system administrator is one service provider, and the lending institution is another service provider. Thus, in Johnson, as explained above in connection with Fig. 1, there is no service provider computer system associated with "the" service provider that has the elements of claim 14.

Independent claim 20 is similarly not anticipated by Johnson for similar reasons as claim 14.

Dependent claims are allowable for at least the same reasons as corresponding independent claims. Moreover, in view of the allowability of base claims, it is respectfully submitted that the obviousness rejection of dependent claims has been overcome.

Allowance of all claims is respectfully requested. The Commissioner is authorized to charge any additional fees and/or credit any overpayment to Deposit Account No. 08-2025 (100111405-2).

Respectfully submitted,

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